

**Agency: Commerce, Community and Economic Development****Grants to Named Recipients (AS 37.05.316)****Grant Recipient: Alaska State Fair, Inc.****Federal Tax ID: 920027358****Project Title:****Project Type:** Remodel, Reconstruction and Upgrades

# Alaska State Fair, Inc. - Farm Exhibit Building Roof Improvement

**State Funding Requested: \$1,200,000****House District:** Mat-Su Areawide (13-16)

One-Time Need

**Brief Project Description:**

The Alaska State Fair, Inc. is in critical need of having the 94,109 square foot of roofing and canopies repaired or replaced on its Farm Exhibit Building with funding from this grant.

**Funding Plan:**

Total Project Cost:	\$1,200,000
Funding Already Secured:	(\$0)
FY2013 State Funding Request:	<u>(\$1,200,000)</u>
Project Deficit:	\$0

*Funding Details:*

*A grant to the Alaska State Fair, Inc. was granted in FY 2008 in the amount of \$250,000. Grant #dc011. The grant has a zero balance.*

*A grant to the Alaska State Fair, Inc. was granted in FY 2009 in the amount of \$500,000. Grant #09dc286. The grant has a balance of \$109,076, which is currently being used by the ASF to correct code deficiencies. All funds of this grant will be expended.*

**Detailed Project Description and Justification:**

Over the years, there have been studies to determine the cost to provide a code compliant facility that would accommodate the needs of the Alaska State Fair. The study included the existing condition of the facility and the upgrades necessary to enclose the building and bring it into compliance with the currently adopted building codes.

In 2005 the architect issued a statement in his report that concluded that there would be a savings over a complete new construction of approximately \$45/ PSF which equated to a savings, at that time, of \$3,200,000 for that facility. In that same year Northern Economics, Inc. estimated the cost-of-completion for the building at \$14,000,000.

The past and current board of directors of ASF determined that the organization did not possess the resources necessary to make such a large investment especially considering the Operations and Maintenance costs are estimated to be 2% of the initial capital costs of the building and that would equate to approximately \$280,000 annually to support "just" the operating expenses.

As a result of the findings of the various studies related to funding required to complete the structure, the ASF board of directors has determined that the project would not be sustainable and it is not financially feasible to complete the project at this time. However, rather than leave this \$3,000,000.+ asset in a non-performing status, the board has chosen to use the structure for various exhibits during the Fair itself, as well as use space for over-winter storage of vehicles such as boats,

motor homes and recreational vehicles to generate revenue for ASF.

The building, in its current condition, simply stated is "an underperforming asset of ASF", when considering it's potential, but it is central to the ASF programming, unfortunately however, its uses are limited because the building is incomplete. The original purpose of the facility was to showcase Alaska's "agriculture". While that objective is met minimally during the annual Fair, the use potential of this structure with modifications is almost without limitations.

In order to provide for sheltering capabilities during a possible natural disaster, emergency event, or a planned evacuation on the east part of the core borough area, the Alaska State Fair and the Mat-Su Borough Department of Emergency Services has developed an initial plan to create a shelter for the people of the Matanuska Susitna Borough and the State of Alaska

A partnership has been formed between the School District, American Red Cross, State of Alaska Department of Corrections, City of Palmer DPS, Mat-Su Borough and Mat Su Regional Medical Center has been established, and the groups have entered into a Memorandum of Agreement to plan, prepare, and implement mass sheltering protocols for use on the Alaska State Fairgrounds. Utilizing the fairgrounds and the buildings currently in place for sheltering of evacuated residents and visitors in the east core area of the Mat-Su Borough.

Current sheltering space on the fairgrounds is for 430 individuals. Other benefits to the State Fair

#### CURRENT CAPABILITIES

1. Access and egress on all sides of the fairgrounds
2. Fenced in area for security
3. Housing for large and small animals
4. Large gravel parking lots
5. Centrally located
6. Close to Palmer airport, train, major highway
7. Close to school district food preparation site
8. Two restaurants across the highway from fairgrounds with commercial kitchens
9. 300 electrical plug-ins for recreational vehicles i.e. motorhomes and campers
10. Security
11. Large area of grass fields for camping
12. Water and sewer
13. Electric
14. Heat provided by natural gas and propane
15. portable radios
16. Matanuska Telephone Association fiber optic communications hut in the middle of the fairgrounds.
17. Recreational vehicle "dump station".

#### DESIRED CAPABILITIES

1. Water/sewer upgrades
2. Structures for storage and hygiene capabilities
3. 250 kW generators (2) for backup power
4. Enclosure/roof repair of 96,000 sf Farm Exhibit Building
5. Increase lighting to exterior parking areas and on the grounds
6. 2030 sheltered persons
7. Oxygen needs

#### MEMORANDUM'S REQUIRED AND PURPOSE

1. Alaska State Fair, Inc. and Mat-Su Borough to develop and implement mass sheltering plan, training and maintenance of mass sheltering capability and develop cost sharing or in-kind services as needed for maintenance and implementation.
2. Alaska State Fair and Mat-Su Borough School District to convey ownership of portable structures for use in mass sheltering operations as needed.
3. Department of Corrections, Red Cross and Mat-Su Borough agreement for use of DOC resources for food preparation, labor and possible property use in mass sheltering as needed.
4. Alaska Railroad, Alaska State Fair and Mat-Su Borough to utilize the rail shipping and depot for mass sheltering operations as needed.
5. Red Cross and Job Corp to utilize Job Corp facility to bolster mass sheltering capabilities as needed.

**ROOF REPAIR/REPLACEMENT-FARM EXHIBIT BUILDING**

It is the intent of the Alaska State Fair to repair/replace the 96,000sf roof on the Farm Exhibit Building and to salvage the panels of roofing for other use. A commitment has been made to the Alaska State Fair to fund covered food eating areas in order to provide comfort and safety to those fairgoers dining at the Fair. The management of the Fair is reviewing the possibility of utilizing the roofing panels taken from the Farm Exhibit Building for the eating shelters.

Fair management is also reviewing other uses for the roofing panels that will be removed from the Farm Exhibit Building.

It is a tough business to farm in Alaska and the troubles are many. Yet the state offers some excellent prospects in agriculture. How are Alaskans to learn and be inspired by practical knowledge and resources? History and archaeology tell us that public support for harvest fairs and celebrations have been central to mankind's existence since farming began. Without this comes diminished ability to share techniques, methods, and enthusiasm for farming. Existing farmers require continued exposure to the best techniques and the newest technology. Potential farmers must be inspired by an attractive presentation of crops, livestock, and product. Alaska's youth need contact with their food sources to supplement the petting zoos and milking demonstrations that are now offered. With an annual attendance exceeding 300,000, the Alaska State Fair is the natural place to perform these functions-as it has been doing in cold, dusty, primitive conditions for 75 years. These conditions are inadequate to spread the messages of gardening, livestock, beekeeping and the many related industries critical to our well-being and self-sufficiency.

The ASF is committed to having the use of the building dedicated to its original purpose of supporting and promoting agricultural activities, however, considerable resources are required for the structure to be functional and to reach its maximum potential. The ASF Board of Directors realize that funding needed to complete the project will not be immediately available, however, they are committed to contributing some capital from fair operations to "jump-start" the plan to finish the building.

The completion of the structure will take place over a number of years. Attendance at the Fair and the events the Fair provides is expected to grow at the same rate as the population growth of the state and in particular the increases in population in the Mat-Su Borough.

**Project Timeline:**

Project timeline would be commencing replacement/repairs of the roof summer of 2012 and the project would be completed by mid-September, 2012.

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

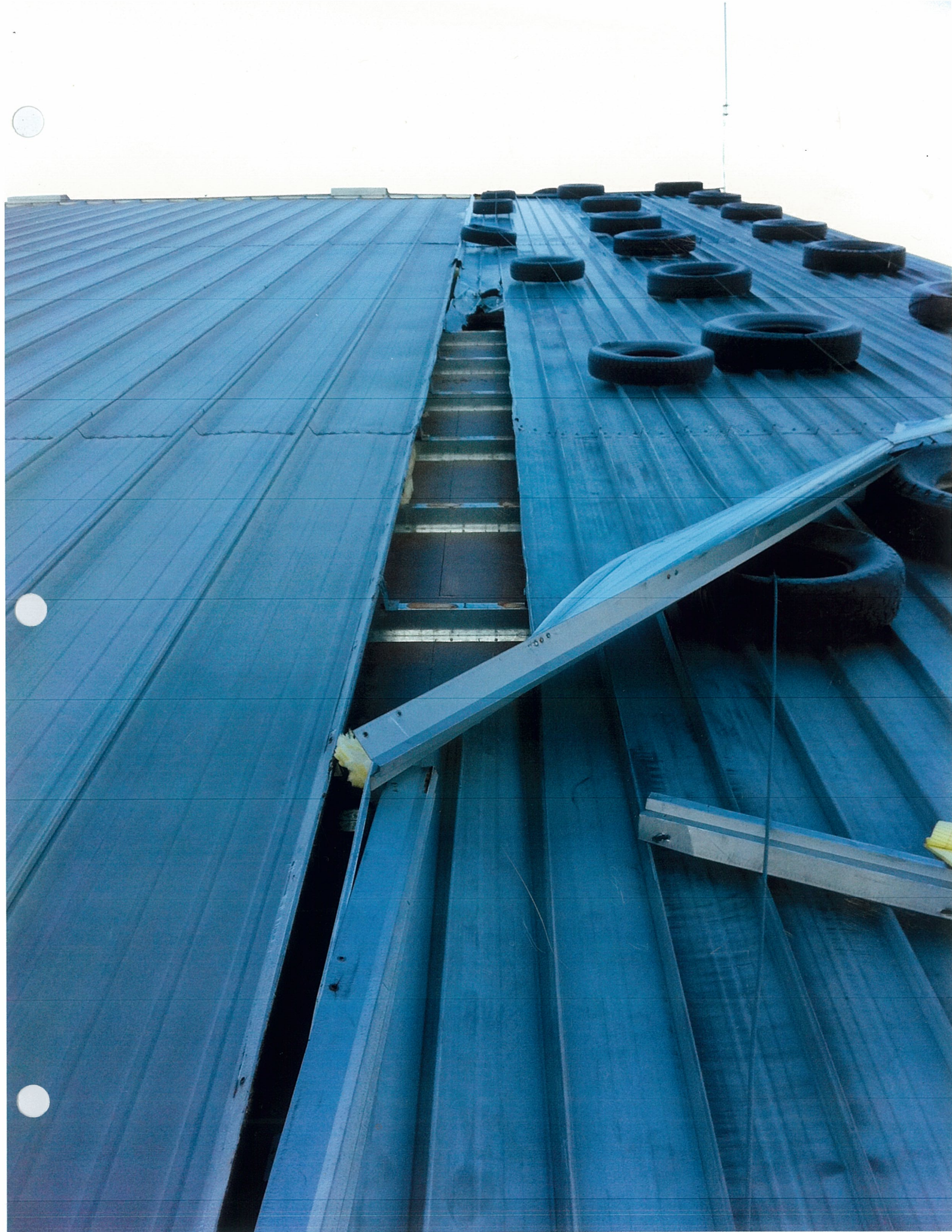
Alaska State Fair, Inc.

**Grant Recipient Contact Information:**

Name:	Ray Ritari
Title:	General Manager
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Has this project been through a public review process at the local level and is it a community priority? ☐ Yes ☒ No













Resolution #3, 2012  
Protection, Health and Safety Project Funding

WHEREAS, Pursuant to the Mission Statement of the Alaska State Fair "Produce a traditional state fair which educates and entertains fairgoers; provide stable finances through good business practices, statewide outreach, partnerships and hosting a variety of community, cultural and business events."; and

WHEREAS, good business practices dictate the Fair complete necessary projects dealing with health, and safety of the fairgoers, employees and visitors to the Fair; and

WHEREAS; there is a need for repair/replacement and alteration of certain facilities of the Alaska State Fair, Inc.; and

WHEREAS, the Board of Directors of the Alaska State Fair, Inc. authorizes the General Manager of the Fair, by this proper Resolution which specifically identifies the project, to raise Capital Improvement Funds from the Alaska State Legislature in the amount of \$1.2 million for such repairs/replacement or alterations and actively engage in requesting a grant to fund the project; and

WHEREAS, the General Manager has received reports from a licensed professional architect/engineer that advises the Farm Exhibit Building requires repair/replacement and alteration of its 94,019 square foot roof to maintain its commitment to safety; and

WHEREAS, currently vehicle tires are used on the roof to deflect wind and as extra weight to help avert portions of the roof being torn off during high winds; and

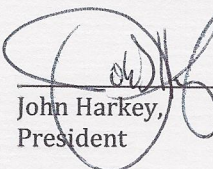
WHEREAS, subject building is being considered a designated facility for emergency mass sheltering, however due to current condition of the roof it would not be a candidate for such use; and

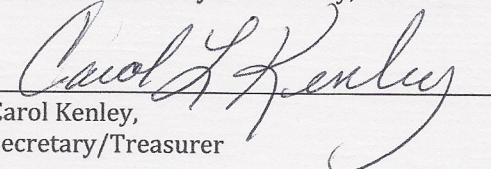
WHEREAS, the Board certifies this project is necessary for life, health, safety and protection of individuals on the fairgrounds.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Alaska State Fair, Inc. that the physical facility described in this project set forth above removes a health and safety hazard.

FURTHER, BE IT RESOLVED that there are not sufficient funds available in the Operations and Maintenance Budget of the Alaska State Fair, Inc. to complete this project.

Passed and Approved by the Board of Directors of the Alaska State Fair, Inc. this 9<sup>th</sup> day of February, 2012.

  
John Harkey,  
President

  
Carol Kenley,  
Secretary/Treasurer